



OFFICE OF THE ARIZONA ATTORNEY GENERAL

TOM HORNE
ATTORNEY GENERAL

**PUBLIC ADVOCACY & CIVIL RIGHTS DIVISION
CONSUMER PROTECTION & ADVOCACY SECTION
TOBACCO ENFORCEMENT UNIT**

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June 7, 2012

Via Electronic Mail

To: Arizona Licensed Distributors

Re: Delivery sales prohibition

Dear Sir or Madam:

You are receiving this letter because you have been identified as an Arizona licensed distributor of tobacco products. This is a courtesy notification of new restrictions on the shipment of tobacco products into the state of Arizona and a request for assistance in identifying other appropriate recipients of this notification.

Senate Bill 1280 was signed into law by Governor Jan Brewer on May 5, 2012, and its provisions go into effect on August 2, 2012. One provision of the bill is a prohibition on delivery sales of tobacco products, chaptered at A.R.S. § 36-798.06. As of that date, it will be unlawful for any person other than a person licensed under A.R.S. § 42-3201 or a retailer ordering from a person licensed under A.R.S. § 42-3201 to order or purchase, or cause to be ordered or purchased, a tobacco product¹ via mail, phone, the internet, or any electronic means. One effect of this delivery sales ban is that any person who is not an Arizona licensed distributor or an Arizona licensed retailer may not order tobacco products over the internet. Arizona licensed retailers will still be required to purchase tobacco products only from Arizona licensed distributors, but they may place those orders over the phone, internet, or by other electronic means.

¹ For the purpose of this section, "tobacco product" means all luxuries included in section 42-3052, paragraphs 5, 6 and 7. Tobacco product does not include pipe tobacco or cigars.

Any shipments by your company of tobacco products to persons in Arizona other than licensed retailers or other Arizona licensed distributors will be violations subject to civil and criminal penalties including fines, injunctive relief, fees and costs incurred by the state for prosecution, and additional relief under A.R.S. Title 44, Chapter 10, Article 7. Please note that a violation of the prohibition on delivery sales is a felony.²

All sales made by non-resident distributors that are shipped into Arizona must still be reported pursuant to the federal PACT Act requirements to the ATF and to the Arizona Department of Revenue ("DOR") in addition to the monthly distributor reports submitted to DOR.

In an effort to inform the public about the new delivery sales prohibition, the Arizona Attorney General's Office ("AGO") is sending courtesy notifications to identifiable stakeholders. As part of the tobacco industry with knowledge of possible stakeholders, AGO is requesting that Arizona licensed distributors provide the name and mailing address for as many of the following stakeholders as possible:

- Tobacco product retailers
- Internet sellers of tobacco product
- Individuals who regularly purchase tobacco products through electronic methods
- Grocery or other delivery services that may deliver tobacco products to individuals

Additionally, AGO will provide any licensed distributor with a flyer describing the delivery sales prohibition that the distributor can then give to its customers to assist in educating them about the new legal requirements.

Please feel free to contact me by phone at (602)542-7719 or by e-mail at Erika.Mansur@azag.gov with any questions, to suggest letter recipients, or to receive informational flyers. Thank you for your help in this matter.

Sincerely,



Erika CE Mansur
Assistant Attorney General
Tobacco Enforcement Unit

EM/sj
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² See A.R.S. § 36-798.06C-H.